

State of Alaska FY2002 Governor's Operating Budget

Department of Health and Social Services
Energy Assistance Program
Component

Component: Energy Assistance Program

Contact: Janet Clarke, Director, Administrative Services

Tel: (907) 465-1630 **Fax:** (907) 465-2499 **E-mail:** janet_clarke@health.state.ak.us

Component Mission

The mission of the Division of Public Assistance is to provide basic living expenses and self-sufficiency services to Alaskans in need.

Component Services Provided

The Heating Assistance Program (HAP) is 100% federally funded through the Low Income Home Energy Assistance Program (LIHEAP) Block Grant. The program aids low-income households with their home heating expenses. Eligibility for heating assistance and benefit amounts are based on a point system which considers household size and income, fuel costs in the area and type of housing. Applicant households apply once a year to receive a single heating assistance grant. Assistance is normally provided in the form of credit with the client's home energy vendor.

Component Goals and Strategies

REDUCE THE DISPROPORTIONATE BURDEN OF HOME HEATING COSTS ON THE POOR

- To prevent or remedy heating emergency situations in at least 8,000 Alaskan households.
- To prevent or remedy home heating emergency situations in at least 1,400 Alaskan households with elderly members.
- To prevent or remedy home heating emergency situations in at least 1,800 Alaskan households with children under age 6.

2) MINIMIZE THE ECONOMIC IMPACT OF CUSTOMER BAD DEBT ON ALASKA HOME ENERGY SUPPLIERS.

Key Component Issues for FY2001 – 2002

In FY2000 and FY2001 the Heating Assistance Program (HAP), formerly called the Energy Assistance Program, received additional LIHEAP funds in response to high fuel oil prices. HAP regulation changes in FY2000 helped the program better target these program benefits to households with the lowest incomes and highest heating costs. In addition, the percent of households with members that are elderly, disabled or under age six increased.

In FY2001 the program's eligibility limits increased from 140% to 150% of the Alaska Poverty Level (\$26,532 annually for a family of three). This higher limit allows more working families and those on fixed incomes to qualify for help with their fuel bills.

The uncertainty of LIHEAP block grant funding causes difficulty in planning and administering the program. The funding allocation is frequently determined after the beginning of the federal fiscal year. This means the State must set income guidelines, set heating benefit levels, hire eligibility staff, and issue requests for proposals for low-income weatherization in the absence of a funding allocation. FY2002 funding is projected at the FY2000 level.

Major Component Accomplishments for FY2000

The program provided low-income households with seasonal help for home heating costs. Tribal organizations also receive federal LIHEAP block grant funds and administer heating assistance programs in several areas of Alaska. In FY2000, around \$4.7 million was provided to approximately 7,300 households under the Department of Health of Social Services' HAP.

Approximately 26 percent of HAP households contain one or more children under 6 years of age, 22 percent have at least one disabled member, and 19 percent contain at least one member over the age of 60. The primary sources of income for Alaska HAP households are: Alaska Temporary Assistance Program (21 percent), and Adult Public Assistance (23 percent). The remaining 56 percent of the HAP caseload relies on non-public assistance sources of income (e.g., wages, Social Security, Unemployment Insurance Benefits, and self-employment).

Statutory and Regulatory Authority

PL 97-35
 L. I.H.E.A.P. Act of 1981
 7 AAC 44

Key Performance Measures for FY2002

Measure: Benefits paid are accurate.
(Developed jointly with Legislature in FY2000.)

Current Status:

The Home Heating Assistance payment accuracy rate was 94.5% in FFY2000.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
• Benefits paid are accurate.		X			

Energy Assistance Program
Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	322.3	407.6	408.3
72000 Travel	5.2	10.5	13.5
73000 Contractual	123.5	103.0	140.0
74000 Supplies	7.0	6.0	12.0
75000 Equipment	39.2	4.0	19.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	6,141.0	4,985.0	6,339.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	6,638.2	5,516.1	6,931.8
Funding Sources:			
1002 Federal Receipts	6,638.2	5,516.1	6,931.8
Funding Totals	6,638.2	5,516.1	6,931.8

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	6,638.2	5,516.1	7,800.0	6,931.8	6,000.0
Restricted Total		6,638.2	5,516.1	7,800.0	6,931.8	6,000.0
Total Estimated Revenues		6,638.2	5,516.1	7,800.0	6,931.8	6,000.0

Energy Assistance Program

Proposed Changes in Levels of Service for FY2002

The budget request adds \$1.4 million federal authority for the Heating Assistance Program. In recent years, Alaska has received emergency federal heating assistance grant increases to help low-income Alaskans with increased costs for home heating. In FFY2000, Alaska was one of 11 states receiving these supplemental LIHEAP block grant funds.

The FY2002 budget increment adds federal authority in order to immediately receive any federal supplemental increases. This federal authority will enable timely service to Heating Assistance Program recipients but is contingent on supplemental grant awards for Alaska.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	5,516.1	0.0	5,516.1
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.7	0.0	0.7
Proposed budget increases:				
-Increase Federal Authority for Potential Supplemental Grants	0.0	1,415.0	0.0	1,415.0
FY2002 Governor	0.0	6,931.8	0.0	6,931.8

Energy Assistance Program

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	3	3	Annual Salaries	296,441
Part-time	10	10	COLA	2,927
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	118,301
			<i>Less 2.24% Vacancy Factor</i>	(9,369)
			Lump Sum Premium Pay	0
Totals	13	13	Total Personal Services	408,300

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	0	0	1	0	1
Administrative Clerk III	0	1	8	1	10
Administrative Supervisor	0	0	1	0	1
Prog Coordinator	0	0	1	0	1
Totals	0	1	11	1	13